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SUBJECT: BFIF 2007 PROJECT PROPOSALS FOR AZERBAIJAN

- 11. SUMMARY: For FY2007, Embassy proposes an ambitious set of programs designed to further our commercial strategy. This proposal captures the benefits of BFIF funding possibilities, allowing Embassy to engage more forcefully in support of our commercial interests overseas. For FY 2007, Embassy requests a total of 22,780 for five projects. We believe that the funding received through the BFIF program will continue enhancing our ability to provide commercial advocacy and advice to U.S. firms in a fast-growing market, and wish to thank the Department for the excellent support we received in previous years. Embassy point of contact for all commercial issues and BFIF is Commercial/Energy Officer Alan Eyre (EyreAE@state.gov). Embassy has coordinated with FCS Ankara on this proposal. END SUMMARY.
- 12. Since the untimely closure of Embassy's FCS office in Baku, the Embassy has worked hard to make the U.S. business community view the Embassy as an asset to their plans and to advance an active commercial agenda in a rapidly growing economy. We have dedicated one officer full-time to commercial and trade issues as a Commercial/Energy Officer. This officer is paired with a recently hired local Commercial Assistant with an extensive background in both the US and Azerbaijani commercial sectors. With GDP growth of more than 30 percent over the last two years, Azerbaijan has one of the fastest growing economies in the world, and the Embassy would like to make sure it is fully equipped to help U.S. companies establish and promote their interests in this dynamic economy.
- 13. To this end, Embassy requests a total of \$22,780 in FY2007 BFIF funding for five projects in Azerbaijan:

Project 1: Consultation and Training - USD 9,700

- a) Justification: With the termination of USDOC and BISNIS funding for Embassy Baku, the Embassy hired a new State Department-funded FSN Commercial Assistant in December 2006. We do not have the capacity or expertise in Baku to train our Commercial Assistant in the fundamentals of commercial work, including the many computer-based resources to promote US trade. We seek funds to send our FSN Commercial Assistant to Frankfurt in early April to train him on maintaining the buy usa website, http://www.buyusa.gov/azerbaijan. In order to be most effective, we need to have strong contact with our partner FCS organizations based in Ankara. We would like to send our newly-hired Commercial Assistant to Ankara for consultations in spring 2007. The American commercial officer will follow this visit in summer of 2007 to get familiar with Ankara Commercial Staff and FCS resources. In addition to regional travel, we would like to send our FSN to Washington DC for consultation with the Departments of State and Commerce, and training at DoC, as well as other relevant agencies in charge of economic and commercial outreach in Azerbaijan.
- b) Planning milestones: Coordination of travel with Embassy Ankara, Department and logistical arrangements
- c) Performance metric: Consultations held.
- d) Estimated costs:

Economic/Commercial Assistant's training trip to Frankfurt Suggested travel dates: 04/02-05/2007
Approximate cost: \$2,300.00
Airticket 1000 USD
Lodging 4*95 = 380 USD
M&IE 99*3 + 132 * 4 = 820 USD
Taxi 100 USD

Economic/Commercial Assistant's consultation trip to Ankara Suggested travel dates: 02/2007
Approximate cost: \$1,700.00
Airticket 500 USD
Lodging 3*171 = 513 USD
M&IE 99*2 + 132 * 3 = 594 USD
Taxi 100 USD

Economic/Commercial Officer's consultation trip to Ankara Suggested travel dates: 02/2007
Approximate cost: \$1,700.00
Airticket 500 USD
Lodging 3*171 = 513 USD
M&IE 99*2 + 132 * 3 = 594 USD
Taxi 100 USD

Economic/Commercial Assistant's training trip to Washington DC Suggested travel dates: fall 2007
Approximate cost: \$4,500.00
Airticket 1500 USD (rough estimate)
Lodging 14 * 150 = 2100 USD (rough estimate)
M&IE 14 * 60 = 840 USD (rough estimate)
Taxi 100 USD (rough estimate)

Project 2: International Buyer Program Travel - 9820 USD a) Justification: Azerbaijan is experiencing solid economic growth fueled by significant oil revenues. Government spending almost doubled in 2006, and the trend is set to continue. The Government is particularly interested in developing the non-oil sector, where big opportunities for US companies exist. Therefore, Embassy considers the following IBP trips of most export potential:

Event: International Franchise Expo 2007 and consultations with Government agencies in DC Subject: Franchising Opportunities Potential: Franchises are a great way to bring ready business to the growing Azerbaijani consumer market. FSN consultations with Department of State and Department of Commerce Location: Washington, DC USA Travel dates: 3/30/2007 - 4/4/2007

Event: Waste Expo 2007 and consultations with Atlanta Export Assistance Center Subject: Environmental Technology Potential: State waste management and oil spill clean-up projects. FSN consultations with Atlanta Export Assistance Center Location: Atlanta, GA, USA Travel dates: May 7-9, 2007

Event: FIME 2007 Subject: Health Care Services, Medical Equipment Potential: Private healthcare is dynamically growing in Azerbaijan. Public healthcare should get more financing with growing oil revenues. Location: Miami, FL, USA Travel dates: August 15-17, 2007

- b) Planning milestones: Reaching out to Azerbaijani entities and receiving their commitments to participate in the IBPs
- c) Performance metric: Number of entities and representatives participating in the IBPs.
- d) Estimated costs:
 International Franchise Expo 2007 and consultations with Government agencies in DC
 Event dates: 3/30/2007 4/4/2007
 Approximate cost: \$3,950.00
 Airticket 1500 USD

Lodging 5*150 = 750 USD M&IE 99*2 + 132 * 5 = 850 USD Taxi 100 USD

Waste Expo 2007 and consultations with Atlanta Export Assistance Center Event dates: May 7-9, 2007 Approximate cost: \$3,020.00 Airticket 1600 USD Lodging 4*150 = 600 USD M&IE 99*2 + 132 * 4 = 720 USD Taxi 100 USD

FIME 2007 Event dates: August 15-17, 2007 Approximate cost: \$2,850.00 Airticket 1700 USD Lodging 3*150 = 450 USD M&IE 99*2 + 132 * 3 = 594 USD Taxi 100 USD

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